

Policies for the Indiana Waste Tire Recycling Grant Program

The Indiana Waste Tire Grants are administered through the Office of Pollution Prevention and Technical Assistance (OPPTA) of the Indiana Department of Environmental Management (IDEM). The policies outlined below are not intended to be a complete list of policies for the waste tire grant program. Instead, these policies are intended to aid grant applicants in submitting high quality applications for the IDEM review process. There is no implied guarantee of funding for a submitted grant proposal, even if the grant application meets all desired expectations. Please contact C. Steven Poe, Waste Tire Recycling Grant Program Manager at (800)988-7901 or cspoe@dem.state.in.us for specific advice.

What is the Indiana Waste Tire Recycling Grant Program?

The Indiana Waste Tire Recycling Grant Program is authorized by means of IC 13-20-13-9. The program is funded through the Waste Tire Management Fund (WTMF), which generates revenue through a \$0.25 fee charged on each new tire sold in Indiana, as well as through registration fees for tire processors, transporters, and storage facilities. Funds from the WTMF are also used for waste tire cleanups.

The purpose of this grant funding is to demonstrate new and innovative ways to reuse or recycle waste tires within the State of Indiana. Projects that result in the reuse or remanufacture of waste tires may be funded. Information about the Waste Tire Recycling Grant Program is available on OPPTA's Website, <http://www.in.gov/idem/oppta/recycling/grants/tires/index.html>.

Who is eligible for Waste Tire Recycling Grants?

Applicants must have a primary mailing address within the State of Indiana, and propose a project within Indiana that will consume or utilize waste tires. **Applicants are eligible to receive grant funding under the Waste Tire Recycling Grant Program only once per fiscal year.** All applicants must contact OPPTA's Waste Tire Program Manager at (800)988-7901 for assistance in developing their grant proposal before submitting the application.

Eligible applicants include:

- Businesses located within Indiana.
- Local units of government, including cities, towns, counties, and solid waste management districts.
- Schools, including elementary schools, middle schools, high schools, colleges, and universities.
- Not-for-profit organizations, with 501(c)(3) status (documentation required).

Grant funding is not available for waste tire processing equipment unless an established end use for the tire material is demonstrated.

Eligible Waste Tire Recycling Grant Projects

Civil Engineering Field Reuse of waste tires within Indiana and utilized in an IDEM approved civil engineering beneficial reuse project. Project examples include:

- Planning and/or design of a civil engineering application that incorporates waste tire materials.
- Roadway or surface lot drainage base layer utilizing 2" to 12" size tire shreds to demonstrate the workability of shredded tires as a construction base material with the placement of a geo-textile layer around the shreds to reduce infiltration of soil and provide a comparison of materials, i.e. sand & gravel mix or crushed stone final roadway surface. The design and construction must follow *ASTM Standard D 6270 – 98, Standard Practice for Use of Scrap Tires in Civil Engineering Applications*.
- Lightweight fill in an embankment or bridge abutment utilizing 2" to 8" tire shreds to demonstrate stability of the shreds and the reduced lateral pressure of tire shreds for this engineering application. ASTM Standard D 6270 – 98 must be used as a guide in the design and construction.
- Media for building basement wall backfill where good thermal insulating and foundation drainage properties of a 2" to 3" tire chip could be demonstrated.

- Construction of an “experimental” residential on-site wastewater septic field drainage system where tire chips of comparable size will be substituted for currently specified stone backfill. This project would demonstrate the suitability of tire chips as a drainage media in septic systems located in Indiana soil and possible advantages to the average installer of utilizing a drainage material that is only half the weight of the rock it is replacing. Local Health Department approval is required before the project is authorized through a state contract.

NOTE: Businesses are eligible to receive grant funding for material feedstock procurement and transportation expenses ONLY.

Research and Development that will explore the use of waste tire material in a high value-added product. The state must be provided with the result of the research for an applicable market. Projects must receive IDEM approval for beneficial reuse of waste tire removal. Project examples include:

- Specification development, testing, and publication regarding beneficial reuse opportunities of recycled waste tires.
- Demonstrations and field testing of recycled waste tires.
- Workshops and/or training for county engineers on the applications and acceptable standards for civil engineering beneficial reuse applications of recycled waste tires.

Recreational Field Reuse of waste tires within Indiana and utilized in an IDEM approved recreational beneficial reuse project. Project examples include:

- Sports track projects involving pour-in-place or compacted waste tire rubber in replacement of traditional materials such as gravel, asphalt, concrete, etc.
- Hiking/biking trails involving loose fill, pour-in-place, or compacted waste tire rubber in replacement of traditional materials such as gravel, asphalt, concrete, etc.
- Marine or boat dock applications involving waste tire rubber, where application of material is above normal water grade level.
- Indoor matting and cushion applications common in gymnasiums or sport facilities involving waste tire rubber in replacement of traditional materials.
- No playground surface applications are funded at this time.

Tire Derived Fuel Trial and Implementation that will utilize tires as an alternative or supplemental fuel in energy generation applications. Project examples include:

- Waste to energy use in cement kilns.
- Waste to energy use in paper mills.

Beneficial Reuse Pre-approval from IDEM

For all projects involving the beneficial reuse of waste tires or crumb rubber (unless the proposed use is specifically authorized by law), the applicant must demonstrate that such application does not pose a threat to public health or the environment. Some uses of tires are safe and effective under certain conditions. IDEM approval of beneficial reuse is necessary to ensure that the conditions are present for the use to be safe and effective. Solid Waste Management Regulation 329 IAC 10-3-1 (13) allows for legitimate uses of waste materials if approval is first obtained through IDEM.

Eligible Waste Tire Recycling Grant Funding Requests

Expenses listed below are eligible for funding through the Indiana Waste Tire Recycling Grant Program:

1. Transportation of material feedstock for a proposed project.
2. Procurement of material feedstock for a proposed project.
3. Lease or rental costs for equipment necessary to process waste tires for a proposed project.
4. Research and development test costs from authorized labs or on-site tests. (IDEM pre-approval required)
5. Planning and design of a civil engineering field reuse project.
6. Procurement of supplies, materials, and products made from recycled waste tires.
7. Purchase of equipment for the conversion of waste tire material to tire-derived fuel.
8. Purchase of equipment for the manufacture of a final product made from waste tire material (not including waste tire processing equipment unless an existing end use is demonstrated.)

9. Other project start-up costs not excluded below and authorized through IDEM pre-approval.

Ineligible Waste Tire Recycling Grant Funding Requests

Expenses listed below will not be funded through the Indiana Waste Tire Recycling Grant Program:

1. Civil engineering applications not approved by IDEM.
2. Playground crumb rubber reuse.
3. Projects involving the land application of waste tires for alternative daily cover at landfills.
4. Below water grade reuse application of waste tires.
5. Projects that may result in a negative impact to air, water, or land.
6. Expenses related to final disposal; including collection, transportation and disposal costs.
7. Expenses related to food, beverages, conferences, travel, general overhead and administration, and political lobbying.
8. Expenses related to personnel salary or benefits. (Project specific contractor and professional fees may be eligible, and will be evaluated on a case-by-case basis utilizing prevailing wages as determined by the U.S. Department of Labor.)
9. Expenses related to a Supplemental Environmental Project (SEP) as part of an agreement with IDEM or the USEPA.
10. Purchase of waste tire processing equipment, unless an established end use is demonstrated.
11. Purchase of land.
12. Purchase or construction of any buildings.
13. Expenses related to necessary licenses or permits.
14. Legal costs related to the project.
15. Working capital for the project.

Grant Funding Considerations and Limitations

1. All projects require a match commitment from the applicant of at least 50% of total project costs (unless otherwise specified in these policies). This match may be in the form of cash expenditures and in-kind contributions to the project (See "Match Requirements" below). See "Funding Limits and Match Contribution Chart" on page 8 for funding limits and match requirements for each type of project.
2. Expenditures must be made during the grant term. Expenditures made prior to the grant term or after the expiration date of a grant will not be reimbursed.
3. 50% of the state grant award will be advanced to the grantee upon the final execution of a grant agreement. The remaining 50% of the grant funds will be released upon documentation of eligible approved expenditures, provided that all other conditions to the agreement have been met. It is the responsibility of the grantee to manage a proper cash flow for the project to guarantee completion of the project.

Match Requirements

Cash and in-kind matching requirements *must* be directly related or dedicated to the proposed project and must be made during the term of the grant agreement:

1. All grant applications must document a financial match.
2. All grant applications must document a dollar for dollar match of total project costs, unless otherwise allowed by grant policies.
3. A cash match requires documented, direct cash expenditures for the project. A cash match may be supplied from other entities, but must be demonstrated as a direct cash investment toward the project. If awarded, the grant agreement will specifically note any additional cash match requirements.
4. An in-kind match is defined as local commitment in the form of non-cash expenditures. This might include (please check with IDEM regarding the eligibility of these examples for your project):
 - a) Documented standard personnel costs assigned to the research and development project.
 - b) Appraised value for in-house equipment necessary for continued use for the duration of the project.
 - c) Documented appraised value of donated goods or services.

5. The grant application must specifically identify in-kind match requests and provide available documentation.
6. All match requirements must be summarized in the application and dollar amounts entered in the proposed budget page. All match must be documented in a manner approved by IDEM. The application must be complete or it will not receive a full review. An incomplete application is sufficient grounds for denial of funding.
7. Proposal and documentation of cash match provided through the trade-in of used equipment must be accompanied by three written appraisals of the equipment to be traded-in. Trade-in of used equipment may be used as cash match only if the original equipment purchase was not grant funded.
8. No funding from the State Solid Waste Management Fund or the Hazardous Substance Response Trust Fund can be used for cash or in-kind match for projects funded through the Waste Tire Recycling Grant Program. This restriction has been the practice of IDEM's grant programs. Match supplied through other state or federal funding sources will be reviewed on a case-by-case basis.

Equipment Funding Requests

1. A dollar for dollar cash match is required for all equipment purchases and lease or rental fees (unless otherwise specified in these policies). This cash match may be the purchase of non-grant-funded equipment during the grant term if approved in advance by IDEM.
2. Applicants who propose the purchase of equipment must submit three quotations for the equipment (or three appraisals, if the equipment is used) at the time of final application for grant funding.
3. Applicants who propose equipment lease or rental fees must submit three quotations for the rental at the time of final application for grant funding. (Temporary use of equipment that is already owned by the applicant may not be used as cash or in-kind match.)
4. If equipment is purchased, it must be owned and utilized by the Grantee for its entire useful life for the purposes approved for funding or for an activity consistent with the intent of the grant agreement. The Grantee must notify the state in writing if the equipment will no longer be utilized for the intended purpose. Failure to comply with the use and useful life requirements will result in forfeiture of grant money used to purchase the equipment.
5. The Grantee must maintain property records that include a description of the equipment, a serial number or other identification number, the source of equipment, who holds title, the purchase date, and cost of the equipment, percentage of State participation in the cost of the equipment, the location, use and condition of the equipment, and any ultimate disposition data including the date of disposal and sale price of the equipment. A physical inventory of the equipment must be taken and the results reconciled with the property records at least once every two years.

Financial Commitment

Applicants will be required to submit documentation to demonstrate that they can meet their financial obligation for the project for which funding is requested. For a business, this documentation might include a commitment letter from a board president, an internal fiscal officer, the business's banker, or the business's loan officer at a financial institution. For a school or non-profit, this documentation can be a letter of commitment from a governing body, a board of directors, or a board authorized individual representing the governing body. For a local unit of government or a solid waste management district, a resolution by the governing body committing the match is required. The commitment letter or resolution must document the fiscal ability of the applicant to maintain the necessary cash flow for the duration of the grant term, recognizing that a part of the grant funds is awarded through reimbursement after expenditures are incurred.

Marketing Profile / Recycling and Reuse Profile

Applicants will be required to submit information to demonstrate existing and new market opportunities to utilize waste tires in the proposed project. In the case of new product development or new field uses, this information should include the projected size and growth rate for the recycled waste tire product should the product be moved to the end market or a new reuse. It should also include a statement about industry-wide trends, demonstrating that the applicant has researched the opportunity for similar uses either in the local area or across the State of Indiana.

For a business applicant, this could be a copy of the company's marketing strategy from the company's business plan. It is strongly recommended that the company have a current marketing plan that documents markets through commitment letters detailing potential volume of material or number of units for new products BEFORE requesting grant funding.

For a local unit of government, school, or non-profit, this documentation can be a recycling or reuse profile, demonstrating industry-wide trends, local market conditions, and projected size / growth rate for the use of recycled waste tires in the recycling or reuse project.

For civil and recreational reuse applications (regardless of applicant type), the application should note current and future reuse opportunities, demonstrating the types and scale of projects that might benefit from transferable information made available through this grant funded project.

Environmental Goals

Although it is not the only criteria in determining awards, the number of tires diverted from disposal (proper or improper) is a major review criteria; projects that use waste tires acquired in Indiana will receive additional preference in the review process. IDEM will also show consideration to new product use, or if it is a demonstration use of a recycled product in Indiana. Projects that demonstrate the greatest community impact through the promotion of the recycled waste tire product will be preferred.

Environmental Compliance

All applicants, contractors, and subcontractors must comply with applicable federal, state and local safety regulations and environmental laws. Copies of the cover sheet of all applicable permits must be provided along with a description of any new permits required for the duration of any modification to complete product fabrication and testing. A history of environmental compliance violations or any current open enforcement cases may result in the rejection of an application.

For all projects involving the beneficial reuse of waste tires or crumb rubber, an applicant must demonstrate that such application does not pose a threat to public health or the environment. Some uses of tires are safe and effective under certain conditions. IDEM approval of beneficial reuse is necessary to ensure that the conditions are present for the use to be safe and effective. Solid Waste Management Regulation 329 IAC 10-3-1 (13) allows for legitimate uses of waste materials if approval is first obtained through IDEM.

For all approved grant funded projects, pre-approval of the beneficial reuse application must be granted through IDEM's Office of Land Quality prior to start-up of the grant awarded project. By completing the application questions in full, the beneficial reuse application will be initiated. Completion of IDEM's evaluation of beneficial reuse may affect announced award timelines and the release of a state contract.

A copy of the beneficial reuse guidelines is available by request through C. Steven Poe at (317) 233-9341 or (800)988-7901. This guidance has been prepared by IDEM's Office of Land Quality regarding Indiana's Solid and Hazardous Waste rules. Although every attempt has been made to reference other applicable regulations, this guidance may not completely address requirements under other IDEM programs or any other federal, state or local regulations.

For projects that create a waste flow for final disposal, the applicant must demonstrate proper and safe disposal of the waste, and limit waste volumes to a reasonable minimum level.

IDEM requires registration of waste tire storage sites, processing operations, and tire transporters through the Office of Land Quality. These requirements are found in the Waste Tire Management rule (329 IAC 15) and displayed on the IDEM Website at: www.IN.gov/idem/land/permits/forms/index.

Application Process

Interested applicants should contact the Office of Pollution Prevention and Technical Assistance to obtain application materials. A fully completed application must include the following:

1. An IDEM-supplied application cover page, fully completed and signed by the appropriate agent of the applicant.
2. A completed proposed project budget page.
3. Answers to the questions presented in the waste tire recycling grant application packet, including:
 - a. Demonstration of the percentage of waste tires utilized in the project that is sourced from within Indiana.
 - b. Demonstration of cash match for the proposed project.
 - c. Demonstration that the waste tire material utilized through this project meets or exceeds ASTM standards, if such standards exist for the given proposed reuse or recycling activity.
4. Information necessary for IDEM to make a determination regarding the applicants request for beneficial reuse, as evaluated through the Office of Land Quality.

Review and Evaluation Process

Once the original application has been filed, a grant review committee will evaluate and score each application to determine which projects are fundable in the current funding cycle. The grant review committee will include representatives from the IDEM Office of Land Quality, the Commerce Energy Policy Division, and the Office of Pollution Prevention and Technical Assistance. Additional representatives may be invited to participate in the review committee depending on the expertise needed for a complete evaluation of the proposed projects. Applications will be evaluated on the following criteria:

1. Potential number of waste tires used by the project.
2. Projected annual sales of recycled tire product.
3. Development of a new market for waste tires in Indiana.
4. The technical and fiscal feasibility of the project.
5. Demonstration of existing demand for product.
6. Overall quality and adequacy of the application.
7. Applicant's commitment to the project and ability to complete the project.

Applicants will be notified of the approval or denial of the grant award of their applications within 120 days of the application deadline. Once approved, a grant agreement must be created and then signed by both the grantee and the appropriate state officials. The state signature process can take six to eight weeks.

Grant Follow-up Information

Once a grantee receives notification of a grant award, the following activities will take place;

1. A grant agreement will be created and sent to the grantee for signature.
2. The grantee will be requested to supply a signed W-9 form (if needed).
3. The agreement will be forwarded through the state signature process.
4. Once the agreement is fully executed (signed by the last state signatory), the applicant will receive a 50% advance of grant funds and may begin work.
5. When the project is complete, the applicant will submit the final report and request final payment.
6. Progress reports as required in the grant agreement must be submitted by the grantee in a timely manner.

Grant Agreement Period

Grant agreements shall not be for a period of more than 24 months. All grant terms will commence on the date the last state signatory signs the agreement. Grant agreements may be extended once for a period of up to 12 months.

Grant Reporting Requirements

Applicants who receive funding through the Indiana Waste Tire Recycling Grant program must provide progress reports to IDEM during the term of the grant and a final report at the closure of the grant term, as required by the grant agreement.

Progress reports must be submitted according to the schedule set forth by the grant agreement. The final report must be submitted after completion of the project and must document all project components, including material and design specifications, testing specifications and project results so that others can reproduce the project. Expenses incurred as a result of this required documentation are an eligible grant request.

Grant Funds Disbursement

Grant recipients shall receive 50 percent of their grant funds after the agreement completes the state signature process. The remaining 50 percent of the grant funds shall be reimbursed after the grantee submits an acceptable final report and documentation of expenditures to IDEM. IDEM must approve the final report and expenditures before the remaining grant funds will be reimbursed.

Confidential Information

To the extent feasible and permissible by law, IDEM will honor an applicant's request that confidential information submitted to IDEM remain confidential. IDEM will treat information as confidential only if: (i) the information is in fact protected confidential information such as trade secrets or privileged or confidential commercial or financial information, (ii) the information is specifically marked or identified as confidential by the applicant, (iii) the information is segregated and placed in a separate appendix to the application, and (iv) no disclosure of the information is required by law or judicial order. If the application results in a grant, the honoring of confidentiality of identified data shall not limit IDEM's right to disclose the details and results of the project to the public.

INDIANA WASTE TIRE RECYCLING GRANT PROGRAM FUNDING LIMITS AND MATCH CONTRIBUTION CHART

Category	Maximum Funding Level	Grant:Cash Match:In-Kind Match Ratio *	Example based on \$20,000 Project		
			IDEM	Grantee	
			Grant \$	Cash Match	In-Kind Match
Research and Development	Up to \$50,000	50:25:25	\$10,000	\$5,000	\$5,000
– College and Universities		75:0:25	\$15,000	\$0	\$5,000
Civil Engineering	Up to \$50,000	75:25:0	\$15,000	\$5,000	\$0
♦ Planning/Design Project	Up to \$100,000	50:25:25	\$10,000	\$5,000	\$5,000
♦ Field Project Implementation		75:0:25	\$15,000	\$0	\$5,000
– Colleges and Universities					
Tire Derived Fuel	Up to \$50,000	50:25:25	\$10,000	\$5,000	\$5,000
Recreational Field Reuse	Up to \$50,000	50:25:25	\$10,000	\$5,000	\$5,000
<p>* Notes:</p> <ul style="list-style-type: none"> Equipment purchases must always be cash matched dollar for dollar (unless part of a project proposed by a college or university.) Colleges and Universities must provide a 25 percent match for overall project costs. 					
<p style="text-align: center;"><i>This chart is an example of <u>minimum</u> grant match requirements. Contact C. Steven Poe, Waste Tire Recycling Grant Program manager at (800)988-7901 or cspoe@dem.state.in.us for additional information.</i></p> <p style="text-align: center;"><i>Contact the Source Reduction and Recycling Branch Chief at (800)988-7901 for eligibility determinations..</i></p>					